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August 24, 2006

The Honorable Board of Supervisors  
County of Los Angeles  
383 Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

SUBJECT: REQUEST FOR BOARD TO LEVY TAXES AND TO DIRECT THE  
AUDITOR-CONTROLLER TO PLACE TAXES ON TAX ROLL 3 VOTES  
REQUIRED

Dear Supervisors:

The Downey Unified School District (the "District") has previously issued its General Obligation Bonds, 1996 Election, Series D, dated July 29, 1999 in the original principal amount of \$3,000,000 and its General Obligation Bonds, 1996 Election, Series E dated July 31, 2001 in the original principal amount of \$9,500,000 (collectively, the "Prior Bonds"). On June 27, 2006, the governing board of the District adopted its resolution authorizing the issuance of a series of bonds in the aggregate principal amount of not to exceed \$10,000,000, designated the Downey Unified School District 2006 General Obligation Refunding Bonds for the purpose of refunding a portion of the Prior Bonds.

The District formally requests in accordance with Education Code §15250 that the Los Angeles County Board of Supervisors adopt the enclosed resolution to levy the appropriate taxes, and to direct the County Auditor-Controller to maintain these taxes on the tax roll every year according to a debt service schedule to be supplied by the District.

IT IS THEREFORE RECOMMENDED THAT YOUR BOARD:

1. Adopt the enclosed resolution.

2. After the Board has taken action, the District requests that the Executive Officer-Clerk of the Board furnish two (2) certified copies of this Resolution to: Jones Hall, A Professional Law Corporation, at 650 California Street, 18th Floor, San Francisco, California 94108, Attention: William Kadi, and send one (1) copy of this Resolution to each of the following:

Los Angeles County Treasurer and Tax Collector  
Attn: John Wong  
500 W. Temple Street, Room 432  
Los Angeles, California 90012

Los Angeles County Auditor Controller  
Attn: Sanford Johnson  
500 W. Temple Street, Room 603  
Los Angeles, California 90012

Los Angeles County Counsel  
Attn: Cammy C. DuPont  
Principal Deputy County Counsel  
500 W. Temple Street, Room 648  
Los Angeles, California 90012

Thank you for your attention to these requests. If you have any questions, please contact me at Jones Hall, A Professional Law Corporation, Bond Counsel to the District, at (415) 391-5780 or [wkadi@joneshall.com](mailto:wkadi@joneshall.com).

Sincerely,



William Kadi  
Jones Hall, A Professional Law Corporation  
Bond Counsel to Downey Unified School  
District

Enclosure

D o w n e y U n i f i e d S c h o o l D i s t r i c t

RESOLUTION NO. 200506-14

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF 2006 GENERAL  
OBLIGATION REFUNDING BONDS IN THE PRINCIPAL AMOUNT OF NOT TO  
EXCEED \$10,000,000 TO REFUND OUTSTANDING 1996 GENERAL OBLIGATION  
BONDS, SERIES C, D, and E

WHEREAS, a special bond election was duly and regularly held in the Downey Unified School District (the "District") on June 4, 1996 for the purpose of submitting to the qualified electors of the District the question whether bonds should be issued in the maximum aggregate principal amount of \$27,500,000, and more than two-thirds of the votes cast at said election were in favor of the issuance of said bonds; and

WHEREAS, the Board of Trustees of the District, has previously adopted its Resolution on May 19, 1998, authorizing a series of said bonds in the aggregate principal amount of \$5,000,000, designated the Downey Unified School District, Election of 1996 General Obligation Bonds, Series C; and

WHEREAS, under the Series C Bond Resolution, the District has the right to call the Series C Bonds maturing on or after August 1, 2007 (the "Callable Series C Bonds") for redemption on any interest payment date on or after August 1, 2006 (the "Series C Optional Redemption Rights"); and

WHEREAS, the Board of Trustees of the District, has previously adopted its Resolution on May 18, 1999, authorizing a series of said bonds in the aggregate principal amount of \$3,000,000, designated the Downey Unified School District, Election of 1996 General Obligation Bonds, Series D; and

WHEREAS, under the Series D Bond Resolution, the District has the right to call the Series D Bonds maturing on or after August 1, 2008 (the "Callable Series D Bonds") for redemption on any interest payment date on or after August 1, 2007 (the "Series D Optional Redemption Rights"); and

WHEREAS, the Board of Trustees of the District, has previously adopted its Resolution on May 15, 2001, authorizing a series of said bonds in the aggregate principal amount of \$9,500,000, designated the Downey Unified School District, Election of 1996 General Obligation Bonds, Series E; and

WHEREAS, under the Series E Bond Resolution, the District has the right to call the Series E Bonds maturing on or after August 1, 2010 (the "Callable Series E Bonds") for redemption on any interest payment date on or after August 1, 2009 (the "Series E Optional Redemption Rights"); and

WHEREAS, the Board of Trustees of the District is authorized to provide for the issuance and sale of the Refunding Bonds under the provisions of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53550 of said Code (the "Bond Law"); and



NOW, THEREFORE, the Board of Trustees of the Downey Unified School District hereby finds, determines, declares and resolves as follows:

Section 1. Authorization; Approval of Term Sheet. Refunding Bonds in the aggregate principal amount of not to exceed \$10,000,000 are hereby authorized by the District to be issued under and subject to the terms of the Bond Law and this Resolution, for the purpose of providing funds to pay interest on the Series C, D and E Bonds to and including their respective first redemption date, and for the purpose of paying the redemption price of the Series C, D, and E Bonds. The Refunding Bonds are designated the "Downey Unified School District (Los Angeles County, California) 2006 General Obligation Refunding Bonds".

The Refunding Bonds will be issued upon the terms and conditions set forth in the Term Sheet in substantially the form on file with the Superintendent together with any changes therein or modifications thereof which are approved by the Superintendent or Assistant Superintendent, Business Services (each, an "Authorized Officer"), whose execution thereof will be conclusive evidence of the approval of any such changes or modifications. An Authorized Officer is directed to execute and deliver the final form of the Term Sheet on behalf of the District.

Section 2. Limitations. The Board hereby declares that the total net interest cost to maturity on the Refunding Bonds plus the principal amount of the Refunding Bonds shall not exceed the total net interest cost to maturity on the Series C, D, and E Bonds. If such requirement is not satisfied, the Refunding Bonds shall not be sold and issued.

Section 3. Approval of Escrow Agreement. The net proceeds of sale of the Refunding Bonds shall be deposited with U.S. Bank National Association or such other entity as designated by the Superintendent, as escrow agent (the "Escrow Agent") under the Escrow Agreement in substantially the form on file with the Superintendent together with any changes therein or modifications thereof which are approved by an Authorized Officer, whose execution thereof will be conclusive evidence of the approval of any such changes or modifications. An Authorized Officer is directed to authenticate and execute the final form of the Escrow Agreement on behalf of the District. As provided in the Escrow Agreement, amounts held thereunder by the Escrow Agent shall be applied to pay interest on the Refunding Bonds to and including their respective first redemption dates, and to pay the redemption price of the Series C, D, and E Bonds.

Section 4. Sale of Refunding Bonds. The Board hereby authorizes the negotiated sale of the Refunding Bonds to an underwriter designated by the Superintendent in consultation with the financial advisor (the "Underwriter") under the Bond Purchase Contract between the District and the Underwriter in substantially the form on file with the Clerk of the Board together with any additions thereto or changes therein approved by an Authorized Officer, whose execution thereof shall be conclusive evidence of approval of any such additions and changes. An Authorized Officer is hereby authorized and directed to execute and deliver the final Bond Purchase Contract in the name and on behalf of the District.

Section 5. Conditions of Sale. The Board of Trustees hereby states that a condition of the sale of the Refunding Bonds to the Underwriter shall be that net savings accruing to the taxpayers as a result said sale shall be equal to or greater than \$400,000 as calculate on a net present value basis.



Section 6. Official Statement. The Board of Trustees hereby approves and deems nearly final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, the

Preliminary Official Statement describing the Refunding Bonds in the form on file with the Assistant Superintendent, Business Services. An Authorized Officer is hereby individually authorized, at the request of the Underwriter, to execute an appropriate certificate affirming the Board of Trustees' determination that the Preliminary Official Statement has been deemed nearly final within the meaning of such Rule. Distribution of the Preliminary Official Statement by the Underwriter is hereby approved. The Assistant Superintendent, Business Services is hereby authorized and directed to approve any changes in or additions to a final form of said Official Statement, and the execution thereof by the Assistant Superintendent, Business Services will be conclusive evidence of approval of any such changes and additions. The Board of Trustees hereby authorizes the distribution of the final Official Statement by the Underwriter.

Section 7. Engagement of Professional Services. Dale Scott & Company Inc. is hereby retained as financial advisor to the District, and the firm of Jones Hall, A Professional Law Corporation, is hereby retained as bond counsel to the District, in connection with the issuance of the Refunding Bonds. The Assistant Superintendent, Business Services is hereby authorized and directed on behalf of the District to execute an agreement with each of said firms, in the respective forms on file with the Assistant Superintendent, Business Services.

Section 8. Execution of Documents. The Superintendent, the Assistant Superintendent, Business Services, the Secretary of the Board and any and all other officers of the District are each authorized and directed in the name and on behalf of the District to execute and deliver any and all certificates, requisitions, agreements, notices, consents, warrants and other documents, which they or any of them might deem necessary or appropriate in order to consummate the lawful issuance, sale and delivery of the Refunding Bonds. Whenever in this Resolution any officer of the District is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer is absent or unavailable.

Section 9. Effective Date of Resolution. This Resolution takes effect from and after the date of its passage and adoption.

PASSED AND ADOPTED this 27<sup>th</sup> day of June, 2006, by the following vote:

AYES: 7

NOES: 0

ABSENT: 0



Donald E. LaPlante  
President of the Board of Trustees  
Downey Unified School District

**RESOLUTION OF THE LOS ANGELES COUNTY BOARD OF SUPERVISORS  
AUTHORIZING THE LEVY OF TAXES AND DIRECTING THE COUNTY AUDITOR  
CONTROLLER TO PLACE TAXES ON THE TAX ROLL**

WHEREAS, the issuance of \$27,500,000 principal amount of general obligation bonds of the Downey Unified School District (the "District"), County of Los Angeles (the "County"), State of California, was authorized at an election held within the District on June 4, 1996, the proceeds of which are to be used for the acquisition, construction and rehabilitation of school facilities (the "Authorization"); and

WHEREAS, pursuant to the Authorization, the Board of Trustees of the District issued its General Obligation Bonds, 1996 Election, Series D, dated July 29, 1999 in the original principal amount of \$3,000,000, and its General Obligation Bonds, 1996 Election, Series E, dated July 31, 2001 in the original principal amount of \$9,500,000, all in its own name pursuant to the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53506 of said Code (collectively, the "Prior Bonds");

WHEREAS, the Board of Trustees of the District (the "District Board") has determined in Resolution No. 200506-14 to issue and sell its 2006 General Obligation Refunding Bonds (the "Refunding Bonds") pursuant to Articles 9 and 11 of Chapter 3 (commencing with Section 53550) of Part 1 of Division 2 of Title 5 of the California Government Code (the "Bond Law") for the purpose of refunding the Prior Bonds; and

WHEREAS, Section 53506 et. seq. of the Bond Law authorizes the District Board of Trustees to issue the Refunding Bonds by way of a resolution; and

WHEREAS, the Refunding Bonds are anticipated to be issued in the aggregate principal amount of \$10,000,000 on September 12, 2006; and

WHEREAS, the Board of Supervisors (the "Board") of the County has been formally requested by the District to levy taxes in an amount sufficient to pay the principal of and interest on the Refunding Bonds when due, and to direct the Auditor-Controller of the County to maintain on its tax roll, and all subsequent tax rolls, taxes sufficient to fulfill the requirements of the debt service schedule for the Bonds, commencing on February 1, 2007, that has been provided to the Auditor-Controller by the District following the sale of the Refunding Bonds;

WHEREAS, the Los Angeles County Treasurer and Tax Collector (the "Treasurer") has been designated by the District to act as the authenticating agent, bond registrar, transfer agent and paying agent (collectively, the "Paying Agent") for the Bonds, and the District has consented to the Treasurer's contracting with a third party to perform the services of Paying Agent.

NOW, THEREFORE, THE LOS ANGELES COUNTY BOARD OF SUPERVISORS DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

**SECTION 1. Levy of Taxes.** That this Board levy taxes in an amount sufficient to pay the principal and interest on the Refunding Bonds.



**SECTION 2. Preparation of Tax Roll.** That the Auditor-Controller of the County of Los Angeles is hereby directed to place on its 2007-08 tax roll, and all subsequent tax rolls, taxes in an amount sufficient to pay the principal and interest on the Refunding Bonds, according to a debt service schedule to be provided by the District.

**SECTION 3. Paying Agent.** That the Treasurer, or the Treasurer's third-party designee, act as Paying Agent for the Refunding Bonds.

**SECTION 4. Effective Date.** This Resolution shall take effect immediately upon its passage.

The foregoing resolution was adopted on the \_\_\_\_ day of \_\_\_\_\_, 2006, by the Board of Supervisors of the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.

SACHI A. HAMAI, Executive Officer-Clerk of  
the Board of Supervisors of the County of Los  
Angeles

By: \_\_\_\_\_  
DEPUTY

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.  
COUNTY COUNSEL

By: \_\_\_\_\_

Principal Deputy County Counsel